



HF 549 – Motor Vehicle Traffic Cameras (LSB 2254HV)

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Fiscal Note Version – New

Description

House File 549 addresses the use of Automated Traffic Enforcement (ATE) systems and establishes requirements and restrictions related to the use of ATE cameras on State and local roadways. The Bill authorizes the use of ATE cameras for the enforcement of traffic-control signals or for speed limits pursuant to municipal or county ordinances. Local authorities must post signs giving notice about the use of ATE systems and provide it so vehicles on approach will have notice. The Bill provides specifications of where the signs must be posted. In addition, the Bill specifies the process for notices or citations if violations occur. The Bill imposes a limit on the fine amounts that may be charged by a local authority and prohibits a local authority from adding administrative costs in addition to a fine. The fine established for a traffic-control device (red-light camera) is \$50. The limit for speeding violations follows the fines set in Code Section 805.8A for the equivalent scheduled violation and the established restrictions under Code Sections 331.302 and 364.3. These Code Sections specify that the local authority may not impose a fine in excess of \$625. The Bill requires local authorities using an ATE system to file an annual report with the Department of Public Safety.

Background

According to the National Conference of State Legislatures, more than 400 U.S. communities use red-light cameras and more than 40 communities use cameras to enforce speed laws. Currently, there are five cities in Iowa that have ATE systems in use. They are Clive, Council Bluffs, Davenport, Sioux City, and Cedar Rapids. The cities of Des Moines and Muscatine are pursuing the implementation of ATE systems as well. All five cities have ATE red-light cameras, and Cedar Rapids and Davenport also use ATE cameras for speed enforcement. Two private vendors provide services to the five cities for the cameras; they are Gatso, U.S.A. (headquartered in Beverly, Massachusetts) and Redflex Traffic Systems, Inc. (headquartered in Scottsdale, Arizona). In a response to a League of Cities survey, the cities indicated decreases in red-light crashes at intersections with ATE cameras, reduced crashes citywide, as well as reduced injuries resulting from crashes.

Revenues from the cameras are deposited in the general fund of each city. The private vendors, Gatso and Redflex, retain a portion of the revenues for providing the services and equipment for the cameras. The amounts depend on the specific contracts between the vendors and the cities.

The cities using ATE cameras indicated in the survey that revenues from the cameras are used for a variety of public safety improvements, such as portable radar detectors (that indicate speed level to the driver) placed near schools, additional staffing for police, fire and emergency response resources, traffic cones, and related items.

Current Situation - Statistics

According to the League of Cities survey of cities using ATE systems, the number of violations for 2010 was as follows:

- Cedar Rapids: 3,004 red light; 58,121 speeding
- Clive: 9,071 red light
- Council Bluffs: 21,781 red light
- Davenport: 8,972 red light; 29,707 speeding
- Sioux City: 13,484 red light

At the State level, for traffic sign or signal violations under Code Section 321.256, there is a \$100 fine in accordance with Code Section 805.8A(8). Fees associated with the red-light violations for cities using ATE systems are as follows:

- Cedar Rapids: \$100
- Clive: \$100
- Council Bluffs: \$107.25
- Davenport: \$65
- Sioux City: \$100

In 2010, the following reflects the estimated breakdown of revenues retained by the cities and by the vendors, based on the survey response:

- Clive: Approximately 40.0% was retained by the city and 60.0% went to the vendor.
- Davenport, Council Bluffs, and Cedar Rapids: Approximately 60.0% of the revenues were retained by the cities and 40.0% went to the vendors.
- Sioux City: Approximately 70.0% of the revenues were retained by the city and 30.0% went to the vendor.

Assumptions

- Cities will have the same number of red-light violations in 2011 as in 2010.
- Cities and vendors will retain revenues at the same percentages as before.
- All violations provide revenue from the fines levied without reduction for violations that may be appealed or dismissed.
- Revenue calculations are solely based on the number of violations and fee per violation and do not reflect any variations in earnings. This assumes that all violators pay the fines. In actuality, not all do pay. For example, in Council Bluffs, at least 6,000 violations (27.5%) occurred that were not paid.
- Calculations do not include criminal penalty surcharges (35.0% of the fine per Code Section 911.1) or civil court fees.

State Fiscal Impact

There is no fiscal impact to the State's General Fund or the Road Use Tax Fund.

Local Fiscal Impact

Local revenues in all five cities that have ATE systems will be affected by the restriction of fees for violations caught by red-light cameras. The Bill does not change how the cities may use the revenues, but does restrict the amount the local authority may charge for a violation to \$50.

If the cities have the same number of violations as in 2010, the following table shows the potential revenues and changes due to the legislation. It is unknown if the specifics of the contracts between the cities and the vendors might affect these decreases further.

City	Potential Violations	Potential Revenue Under		Potential Revenue Under Proposed	
		Current Fee	Current Fee	Fee of \$50	Differences
Cedar Rapids	3,004	\$ 100.00	\$ 300,400	\$ 150,200	\$ -150,200
Clive	9,071	100.00	907,100	453,550	-453,550
Council Bluffs	21,781	107.25	2,336,012	1,089,050	-1,246,962
Davenport	8,972	65.00	583,180	448,600	-134,580
Sioux City	13,484	100.00	1,348,400	674,200	-674,200

Based on potential revenues under the reduced fee, the following would be the distribution of revenue to cities and vendors at the same percentage distribution as was noted in the statistics above.

	Potential		
	Revenue At	Revenue to	Revenue to
City	Reduced Fee	City	Vendor
Cedar Rapids	\$ 150,200	\$ 90,120	\$ 60,080
Clive	453,550	181,420	272,130
Council Bluffs	1,089,050	653,430	435,620
Davenport	448,600	269,160	179,440
Sioux City	674,200	471,940	202,260

As mentioned above, it is unknown if the contracts between cities and vendors contain language that could affect city revenue further or jeopardize the contracts. For example, if the contract required a minimum amount of revenue generated to be provided to the vendor, the city might retain less than what is being retained at the current percentage distribution.

The violations for speeding and any potential changes in those revenues cannot be estimated due to insufficient information.

Sources

League of Cities (Survey of Cities w/ATEs)
League of Cities Cityscape Newsletter
Department of Transportation
National Conference of State Legislatures

/s/ Holly M. Lyons

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the correctional and minority impact statements were prepared pursuant to Code [Section 2.56](#). Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.